

**THE INSURANCE CODE OF 1956 (EXCERPT)**  
**Act 218 of 1956**

**500.3513 Health delivery and business and financial operations; regulation by commissioner.**

Sec. 3513. (1) The commissioner shall regulate health delivery aspects of health maintenance organization operations for the purpose of assuring that health maintenance organizations are capable of providing care and services promptly, appropriately, and in a manner that assures continuity and acceptable quality of health care. The commissioner shall encourage health maintenance organizations to utilize a wide variety of health-related disciplines and facilities and to develop services that contribute to the prevention of disease and disability and to the restoration of health.

(2) The commissioner shall regulate the business and financial aspects of health maintenance organization operations for the purpose of assuring that the organizations are financially sound and follow acceptable business practices. The commissioner shall assure that the organizations operate in the interest of enrollees consistent with overall health care cost containment while delivering acceptable quality of care and services that are available and accessible to enrollees with appropriate administrative costs and health care provider incentives. A health maintenance organization shall do all of the following:

(a) Provide, as promptly as appropriate, health maintenance services in a manner that assures continuity and imparts quality health care under conditions the commissioner considers to be in the public interest.

(b) Provide, within the geographic area served by the health maintenance organization, health maintenance services that are available, accessible, and provided as promptly as appropriate to each of its enrollees in a manner that assures continuity, and are available and accessible to enrollees 24 hours a day and 7 days a week for the treatment of emergency episodes of illness or injury.

(c) Provide adequate arrangements for a continuous evaluation of the quality of health care.

(d) Provide that reasonable provisions exist for an enrollee to obtain emergency health services both within and outside of the geographic area served by the health maintenance organization.

(e) Provide that reasonable procedures exist for resolving enrollee grievances as required by this chapter or as otherwise provided by law.

(f) Be incorporated as a distinct legal entity under the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098, the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192, or the Michigan limited liability company act, 1993 PA 23, MCL 450.4101 to 450.5200.

(g) Have a governing body that meets the requirements of this chapter.

**History:** Add. 2000, Act 252, Imd. Eff. June 29, 2000.

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